

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Board of Public Utilities

**PUBLIC HEARING — PROPOSED ELECTRIC OVERHEAD TO UNDERGROUND FUNDING, CHANGES TO CROSS-CONNECTIONS AND POLLUTION OF SUPPLY AND RECYCLED WATER RULES, AND CHANGES TO WATER AND ELECTRIC RULES, RATES, AND FEES**

Date of Meeting: July 13, 2005

Time of Meeting: 6:30 p.m.

Place of Meeting: Art Pick Council Chamber, City Hall  
3900 Main Street (at Tenth & Main Streets)  
Riverside, California

1. **CALL PUBLIC HEARING TO ORDER**

Chair Peter Hubbard called the meeting to order at 6:31 p.m.

**PLEDGE OF ALLEGIANCE TO THE FLAG**

2. **ROLL CALL**

Chair Hubbard made note that the following Board member was to be excused for his absence:

Absent: Joe Tavaglione (excused absence due to business)

The following Board Members were present:

Peter Hubbard (Chair)

Jim Anderson (Vice Chair)

Dave Barnhart

Bob Stockton

Conrad Newberry, Jr., P.E.

Lalit Acharya

Ken Sutter

3. **OPEN PUBLIC HEARING AND REVIEW OF RULES OF CONDUCT**

Chair Peter Hubbard announced in accordance with the published notice that the Board of Public Utilities was holding a Public Hearing to consider a proposed electric overhead to underground funding, a change to cross-connections and pollution of supply and recycled water rules, and changes to water and electric rules, rates, and fees. He stated the following:

- A. The purpose of the hearing was to consider any comments from anyone present regarding the Department's proposed changes and modifications;
- B. No action would be taken by the Board of Public Utilities at this time;
- C. The public would be allowed to address the Board of Public Utilities in order of sign up;

D. Comments of any individual would be limited to three minutes; and

E. Prior to receiving public input, the Board requested staff to provide a summary of all three proposed changes.

### **DIRECTOR OF PUBLIC UTILITIES' COMMENTS**

Director Dave Wright stated that the outreach to the public announcing the public hearing was as follows:

- **Bill insert:** mailed out to 110,000 customers in June (English/Spanish)
- **Legal Notices:** two printed in *Press-Enterprise* (6/23 and 6/30)
- **Display ads:** two printed in *Press-Enterprise* (7/3 and 7/10) and 1 display ad printed in *La Presna* (7/8)
- **RPU Website:** proposed actions and public hearing notice posted on Web site with links to impacted water and electric rules, beginning June 2, 2005
- **Correspondence:** letters mailed to state educational and governmental agencies on June 8, 2005
- **Press Release:** on hearing emailed to local media contacts on June 2, 2005
- **Cable:** Public Hearing date notice started June 16, 2005 on Channel 32
- **Posters:** displayed in public areas; 4<sup>th</sup> Floor lobby, UOC lobby, the Plaza
- **Articles:** on Electric Rate Increase in May 2005 *Greater Riverside Chambers of Commerce* newsletter and in *City Insights* newsletter
- **Presentations:** Land Use Committee on Electric Rate Increase - April 28, 2005 and top 50 business customers at GRCC – May 12, 2005
- **Staff/customer meetings:** Water Division staff met with large non-potable water users on a one-on-one basis in June, 2005
- **Information availability:** RPU department counters had Water and Energy rules for review
- **Community Events:** public hearing notices distributed at community events such as Mayors Night Out, Riverside Wednesday Night and Neighborhood Conference (July 9, 2005)

### **4. STAFF PRESENTATION**

#### **A. Proposed Electric Overhead to Underground Funding:**

Director Dave Wright gave an overview of the proposed electric overhead to underground funding.

Chair Hubbard then opened the hearing for public comments.

**COMMENTS FROM AUDIENCE** – *Each Speaker was limited to 3 minutes for comments*

1. **Mr. Dan Hays**, 2640 Anna Street, Representative of the Victoria Avenue Forever.
  - Victoria Avenue Forever group unanimously supports
  - Southern California cities it is the trend to underground
  - Safety – lightening and fire, igniting of palm trees
  - Emphasized that he did not think this was parks, pools, retirement homes versus undergrounding at all but this was new money.
  - Does Kaiser support in other cities for undergrounding?
  - Growth in Riverside is too much so why not limit
2. **Mrs. Helen Crum**, 6316 Palm Avenue.
  - Janet Goeske Center objects
  - Thought there is no more surcharges allowed and it requires vote of the public to implement
  - Streets, traffic, etc. would benefit more
  - Increased rates has "multiplier" effect and that the Board please think about this situation
3. **Ms. Nancy Garret**, 8530 Harmony Lane
  - Against this proposal
  - Higher priorities – cited traffic problems and code violations
  - No more fees put upon customers
4. **Mr. George Velasco**, 10800 Magnolia Avenue – Representative of Kaiser Permanente
  - Kaiser Permanent opposes surcharge.
  - Concerned that a facility their size would be paying quite a lot and their funding is very limited.
5. **Ms. Cindy Roth**, 3985 University Avenue, President of Greater Riverside Chamber of Commerce
  - Economic Development Committee rate comment – cited California pressures.
  - Businesses opposed
  - Is it a priority? Not at this time.
  - Adverse affect to do this
  - Chamber opposes
6. **Mr. Bob Bahen**, President of Transcan Development & Owner of Canyon Crossings
  - Add on top of everything – it's too many fees
  - Already paid for undergrounding at Canyon Crossings
  - It all adds up
  - Sending out the wrong message to new businesses if fees continue to be tacked on
  - Use federal and state grants

7. **Ms. Kathleen Williams**, 1404 Tiger Tail

- She proposed years ago in a registered letter to the City that overhead wires are unsafe and was told by the City that if the other 41 residents in the Whitegates area where she lives agreed to pay 50% to underground the other 50% funding would be paid by the City.
- Everything should be underground like other cities are doing
- Her main concern is that some customers are already paying and not benefiting from the overhead to underground and if there was an assurance from the City that customers would reap the benefits in the near future more people would be behind it.
- Stated that in the early 1993s in the Press Enterprise there was an article regarding state funding for undergrounding power lines and she will send a copy to staff.

8. **Ms. Mary Humbolt**, 7407 Dufferin Avenue

- Supports underground effort
- Noticed underground in Anaheim and how lovely it is
- Aesthetic of shopping centers and major streets, will attract more businesses – cited Economic Development benefits
- Cited taxes for fire stations and increase the library hours – Compromise is good

6. **CLOSING COMMENTS FROM THE BOARD MEMBERS**

**Board Member Dave Barnhart requested staff to do the following:**

1. Understand why costs of Underground are escalating so rapidly (alternate methods? Materials? What are other agencies doing?)
2. Review what might be done to have more Underground occur as a condition of land use / development approvals.
3. Look at options of a program of specific Underground projects with emphasis on Major Arterial Roadways of citywide significance and major retail and activity centers with a sunset of the rate increase when the adopted project – specific program is completed.
4. Look at options for phasing in a rate increase dedicated exclusively for Underground projects (At lead there would be as an element of increased predictability of production Budgets for those competing globally).
5. Review establishing a trigger mechanism that would automatically trigger a review of the Underground Rate component whenever we get within a specified percentage of Edison's rates.
6. Review exempting all or a part of the Underground rate component for all or a portion of the period covered by economic development contracts.
7. Review implications of exempting the Underground portion of rates for those low-income parties who receive assistance on their Utility bills.

**Vice Chair Jim Anderson**

1. Commented that Magnolia Avenue was originally constructed to be a Sunday Drive
2. Undergrounding Districts Question

**Board Member Conrad Newberry, Jr., P.E.**

1. Thanked the public for attending this public hearing
2. Suggested an alternative – set aside portion of General Fund Transfer (GFT) to underground and set as a priority by Council – This should be an option to be discussed.

**Board Member Bob Stockton**

1. Suggested sending a questionnaire in a utility bill to each ratepayer to obtain residential and commercial input regarding this proposal.

**Board Member Ken Sutter**

1. Responding to appeal to beautify – this is response by Board.
2. Power lines look good in a uniform orderly while phone & cable look bad.

Motion – Sutter. Second – Barnhart.

Ayes: Hubbard, Anderson, Barnhart, Acharya, Newberry, Jr., P.E., Stockton, and Sutter

Noes: None

Abstain: None

Absent: Joe Tavaglione

*A ten-minute recess was called at 7:25 p.m. and then the meeting re-assembled at 7:37 p.m.*

**B. Proposed Changes to Water and Electric Rules, Rates, and Fees:**

Chair Hubbard asked the public if they wished to hear the presentation. Since there was no one from the public present for this proposal, the Board determined they did not need to rehear the presentations that had already been given at the July 1, 2005 Public Utilities Board meeting. A motion to close this part of the public hearing was made.

Motion – Stockton. Second – Sutter.

Ayes: Hubbard, Anderson, Barnhart, Acharya, Newberry, Jr., P.E., Stockton, and Sutter

Noes: None

Abstain: None

Absent: Joe Tavaglione

**C. Proposed Changes to Cross-Connections and Pollution of Supply and Recycled Water Rules:**

Chair Hubbard asked the public if they wished to hear the presentation. Since there was no one from the public present for this proposal, the Board determined they did not need to rehear the presentations that had already been given at the July 1, 2005 Public Utilities Board meeting. A motion to close this part of the public hearing was made.

Motion – Acharya. Second – Anderson.

Ayes: Hubbard, Anderson, Barnhart, Acharya, Newberry, Jr., P.E., Stockton,  
and Sutter.

Noes: None

Abstain: None

Absent: Joe Tavaglione

7. **CLOSE PUBLIC HEARING**

A motion was made to close the public hearing with the agreement to accept written comments from the public until the end of the business day of July 22, 2005.

Motion – Anderson. Second – Acharya.

Ayes: Hubbard, Anderson, Barnhart, Acharya, Newberry, Jr., P.E., Stockton,  
and Sutter.

Noes: None

Abstain: None

Absent: Joe Tavaglione

8. **ADJOURN**

Chair Peter Hubbard adjourned the meeting at 7:42 p.m. to the meeting of the Board of Public Utilities to be held on Friday, August 5, 2005, at 8:15 a.m. in the Art Pick Council Chamber at City Hall located at 3900 Main Street in Riverside, California.

By:

  
David H. Wright, Secretary  
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: August 5, 2005